



We build strength, stability, self-reliance *and* shelter.

Feb. 7, 2022

To: Senate Committee on Labor and Business
Re: Equity Investment Act, Senate Bill 1579

Dear Chair Taylor, Vice Chair Knopp, and Members of the Committee:

My name is Shannon Vilhauer and I am the Executive Director of Habitat for Humanity of Oregon. Habitat for Humanity has long worked to provide families with the opportunity build intergenerational wealth by owning a key asset: their home. Habitat for Humanity also provides low-income homeowners with critical home improvements in Oregon communities of all sizes.

On behalf of our Board of Directors and the 24 local Habitat for Humanity affiliates we serve, I am writing to express our strong support for the Equity Investment Act: Senate Bill 1579. The Equity Investment Act will create intergenerational wealth building opportunities in Oregon's most economically vulnerable communities by growing small businesses, providing critical workforce training and increasing homeownership access for Oregonians who stand to benefit the most.

We know firsthand that homeownership is an incredible wealth building opportunity for households of modest means. Through policies like redlining and disparate access to credit, people of color have not had fair access to homeownership opportunities in the United States. Over decades, this disparate access has resulted in a well-documented racial wealth gap.

For 30% of households in the United States, their home is their only source of wealth. Prosperity Now conducted a study in 2016 on families who earn the median income in their communities. For renter households at this income level, their net worth was \$5,200. Homeowners at the same income level had accrued \$200,000 in household wealth.

The Equity Investment Fund will help close the wealth gap that exists for Black, Indigenous, and Latinx communities across Oregon. It's long overdue and a critical step to reckoning with racist policies and systemic inequities in policing and elsewhere.

Senate Bill 1579 creates the Equity Investment fund, which allocates \$50M to Business Oregon to provide grants to culturally-responsive, community-based organizations that support paths to homeownership, workforce development and entrepreneurship. We strongly believe this is a critical investment for our diverse communities in Oregon. The bill will:

- Be culturally responsive and strategic by providing grants to organizations with intimate knowledge of the lived experience of the individuals, families, businesses and communities receiving services.
- Strengthen and diversify Oregon's economy
- Invest \$50 million per biennium to expand the existing services levels by trusted community partners.

With the effects from the compounding crises of over-policing, COVID-19, rising household costs and other economic strains—now more than ever, we must strengthen Oregon's future by investing in historically underserved communities. We urge your support of Senate Bill 1579 to empower hardworking Oregonians across the state to plant roots in the local community, build wealth and strengthen the cities and towns we can all be proud to call home.

Thank you for your consideration,



Shannon M. Vilhauer, Executive Director